# FINAL BILL REPORT ESHB 1774

#### C 205 L 13

Synopsis as Enacted

**Brief Description**: Requiring measurement of performance and performance-based contracting of the child welfare system.

**Sponsors**: House Committee on Early Learning & Human Services (originally sponsored by Representatives Freeman, Goodman, Haler, Roberts, Farrell, Kagi, Stanford, Stonier, Bergquist, Ryu, O'Ban, Morrell, Fey, Pollet and Santos).

House Committee on Early Learning & Human Services
House Committee on Appropriations Subcommittee on Health & Human Services
Senate Committee on Human Services & Corrections

#### Background:

In 1998 a lawsuit was filed against the Department of Social and Health Services (DSHS) on behalf of foster children who had experienced harmful conditions during their time in foster care caused by placements in multiple foster homes and insufficient services. The parties reached a settlement agreement in 2004 and the DSHS agreed to make reforms in six key areas: placement stability; mental health; foster parent training; unsafe or inappropriate placements; sibling separation; and adolescent services. The settlement also established the Braam Oversight Panel (Oversight Panel), consisting of five independent members who were to create an implementation plan to improve outcomes in the six areas and to oversee the DSHS's progress in making reforms.

The Oversight Panel issued a report for the first half of 2012 which indicated that the DSHS had made significant progress in improving many aspects of the state's foster care system. In October 2011 the parties entered into a revised settlement agreement and the DSHS acknowledged that some outcomes had not been met. The revised agreement extended the Oversight Panel's operations until December 31, 2012.

#### Performance-Based Contracts.

Procurement.

In 2012 legislation was enacted requiring the DSHS to enter into performance-based contracts for family support and related services no later than December 1, 2013. Except

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where mutually agreed by the DSHS and the network administrator for a successful transition of services, as of December 1, 2013, the DSHS was prohibited from renewing its current contracts with individuals or entities for child welfare services where those services were included in performance-based contracts in areas served by network administrators.

The DSHS was required to issue Requests for Proposals (RFPs) for performance-based contracts no later than December 31, 2012, and to notify the successful bidders by June 30, 2013.

#### Demonstration Sites.

Legislation enacted in 2009 required the DSHS to set up two demonstration sites to compare child welfare care management by private agencies with child welfare case management by employees of the DSHS. The implementation dates for these demonstration sites have been periodically extended. In 2012 the implementation date was extended to December 30, 2015.

## <u>Legislative Children's Oversight Committee</u>.

The Legislative Children's Oversight Committee was established in 1996 to monitor and ensure compliance with administrative acts, statutes, rules, policies pertaining to services for families and children, and the placement, supervision, and treatment of children in the state's care.

## <u>Child Welfare Transformation Design Committee</u>.

The Child Welfare Transformation Design Committee (TDC) was established in 2009 and charged with selecting the two demonstration sites to be used for the comparison of the delivery of child welfare services. The TDC was also required to develop performance outcomes to be included in performance-based contracts. Initially, the TDC was required to report to the Governor and the Legislative Children's Oversight Committee on a quarterly basis. From June 2012 until December 2015, the TDC was only required to report twice per year.

#### Summary:

#### Child Welfare Measurements.

A university-based child welfare research entity (research entity) and the DSHS, in collaboration with other stakeholders, must develop measurements for the indicators of safety, permanency, and well-being in the child welfare system. The measurements must be developed using existing and available data from state agencies, which are defined as any agency or subagency providing data used in the integrated client database maintained by the Research and Data Analysis Division of the DSHS.

The measurements must not require state agencies to provide individually identifiable information. The measurements must use a methodology accepted by the scientific community, and wherever possible, must address any disproportionate racial and ethnic inequality. The measurements must be developed by December 1, 2013.

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By January 1, 2014, the state agencies must execute agreements with the research entity regarding data sharing to comply with the act. The state agencies must provide the research entity with all measurement data at least quarterly, beginning July 1, 2014. The research entity must make the nonidentifiable data publicly available, and it must report to the Legislature and the Governor annually, starting December 31, 2014.

Under the act, specific measures, baselines, or comparisons of measures to a baseline used by the research entity are not admissible as evidence of negligence by the DSHS in a civil action.

#### Performance-Based Contracts.

The time by which the DSHS must enter into performance-based contracts for family support and related services is extended until July 1, 2014. The time by which the DSHS must issue the RFPs is extended until December 31, 2013. The DSHS must begin implementation of performance-based contracting by July 1, 2014, and must fully implement performance-based contracting by July 1, 2015.

The statutory provision that prohibits the DSHS from renewing its current contracts for child welfare services, where those services are included in performance-based contracts in areas served by network administrators, is removed.

#### <u>Demonstration Sites</u>.

The date by which the child welfare demonstration sites must be implemented is extended until December 30, 2016.

### Child Welfare Transformation Design Committee.

The provisions setting forth the duties of the TDC are suspended until December 1, 2015.

#### **Votes on Final Passage:**

House 95 3

Senate 48 0 (Senate amended) House 90 5 (House concurred)

Effective: July 28, 2013